RESOLUTION NO. 1990-21

A RESOLUTION AUTHORIZING THE ISSUANCE OF REVENUE BONDS, SERIES 1990, IN THE AMOUNT NOT TO EXCEED $ 120,000.00.

The City of Elgin, Union County, Oregon (The City), finds:

A. ORS 288.805 through 288.945 authorizes the City Council upon adoption of a resolution authorizing the issuance of revenue bonds to fund improvements to the City sewer system.

B. The improvements for the sewer project have been put out for bid and the low bidder has exceeded the budget allowable for the project by approximately $200,000.00. This requires that the City raise additional funds to finance the sewer improvements in the approximate amount of $ 120,000.00. The bonds issued shall not exceed in the aggregate the estimated unanticipated costs of the completion of the sewer improvement project.

C. Farmers Home Administration, an agency of the Federal Government, has agreed to purchase said revenue bonds from the City at an interest rate of _____%.

D. No revenue bonds may be sold, or in the case of a private negotiate sell, no purchase agreement can be executed, for at least 60 days following publication of the notice required by ORS 288.815(6).

E. The electors residing within the City may file a petition with the City asking to have the question of whether to issue such revenue bonds referred to a vote.

F. If the City receives petitions containing valied signatures of the City's electors totaling not less than 5% of the City's electors, the question of issuing such bonds shall be placed on the ballot at the next legally available election date.

NOW, THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF ELGIN, OREGON RESOLVE THE FOLLOWING:

1) The City is authorized to issue revenue bonds, series 1990, in a principal amount not to exceed $ 120,000.00 pursuant to ORS 288.805 through 288.945, for the purpose of funding improvements to the City sewer system. The bond shall be dated with the date specified by the City, shall mature not later than _____, 20___, and shall bear interest until that maturity at a rate to be established by the City which shall not exceed a net effective rate of 7.5%. The bond shall be in denominations as specified by the City and consultation with the purchaser of such bonds.

2) Security. The bonds are payable from the revenues generated from the fees paid by the users of the sewer system. The full faith and credit of the City are also pledge for the punctual payment of principal and interest on the bonds.

3) Bond Purchase Contract. The mayor of the City is hereby authorized to negotiate the terms of the purchase contract for the bonds. The terms of the purchase contract shall be binding upon the City upon approval of the City Council (or upon the execution by the Mayor). The Mayor shall report the terms of the

bond purchase contract to the City Council prior to execution by either the Mayor or the City Council.

4) Protection and Distribution of Revenues. The City shall be the custodian of revenues from the fees generated by the users of the sewer system and said such proceeds be deposited in a separate account from which the obligations of the revenue bonds shall be paid.

5) Issuance of Bonds. No bonds shall be sold, or in the case of a private negotiate sale, no purchase agreement can be executed, for at least 60 days following publication of the notice as required by ORS 288.815(6). The electors within the City may file a petition with the City asking to have the question of whether to issue such bonds refer to a vote. If the City receives petitions containing valid signatures of the City's electors totaling not less than 5% of the City's electors, the question of issuing such bonds shall be placed on the ballot at the next legally available election date.

6) Form of the Denominations. The bond shall be executed on behalf of the City with a manual signature of the Mayor and shall be payable at the office of the City. The bond shall be issued in a customary form and a convenient denominations.

7) Authority of Mayor. The Mayor is hereby authorized to enter into any agreements, sign any documents or certificates which may be required to issue, sell, and deliver the revenue bonds in compliance with this resolution.

ADOPTED BY THE CITY COUNCIL OF ELGIN, OREGON, THIS 18th DAY OF October, 1990.

CITY OF ELGIN

BY George C Spoon

Its Mayor

PASSED BY THE CITY COUNCIL:

four AYE

NO NAY

ATTEST:

Joe Galt
City Recorder